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Title: ***RESOLUTION- Declaring APNs 467-073-05T, -06T, -07T, -16T and 467-081-16T to be surplus and directing staff to comply with the Surplus Land Act (Subject to Mayor’s Veto).

Sponsors: Successor Agency to the Redevelopment Agency of th

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| 6/27/2024 | 1 | City Council | | |

REPORT TO THE CITY IN ITS CAPACITY AS HOUSING SUCCESSOR TO THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO AND THE FRESNO REVITALIZATION CORPORATION

DATE: June 27, 2024

FROM: MARLENE MURPHEY, Executive Director

SUBJECT

***RESOLUTION- Declaring APNs 467-073-05T, -06T, -07T, -16T and 467-081-16T to be surplus and directing staff to comply with the Surplus Land Act (Subject to Mayor’s Veto).

RECOMMENDATION

Staff recommends that the City Council approve the attached Resolution declaring property located near Mono Street between F and G Streets in Fresno, California 93706, (APNs 467-073-05t, -06t, -07t, -16t and 467-081-16t) to be surplus real property. Declaring the above-mentioned property surplus will allow the City, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno, to fulfill the additional requirements of the Surplus Land Act in order to move forward with potential disposition.

EXECUTIVE SUMMARY

On January 1, 2020, the Surplus Land Act (SLA) was amended to include additional requirements that local agencies must follow when disposing of property. Before a local agency may take any action to negotiate the sale of or sell property, the local agency’s governing body must take formal action in a regular public meeting declaring that the property is surplus and is not necessary for the agency’s use.

In accordance with the SLA, staff has determined the property is surplus based on the fact that the

property is vacant and is not necessary for the Agency's use. As such the property must be declared surplus in order to proceed with the additional SLA requirements and potential disposition. The SLA requires a 60-day Notice of Availability (NOA) be sent to certain public entities and housing sponsors identified by the Housing and Community Development Department (HCD).

The attached resolution declares the aforementioned property surplus and will allow the Agency to fulfill the requirements of the SLA and move forward with disposition.

BACKGROUND

Surplus Land Act Amendment Highlights

Effective January 1, 2020, the Surplus Land Act (SLA) was amended to include additional requirements that must be followed when disposing of surplus property. The SLA requires that land shall be declared either "surplus land" or "exempt surplus land" supported by written findings before a local agency may take any action to sell or lease land. The primary modifications are summarized below:

- Prohibits negotiating disposition of property prior to compliance with the procedural requirements of SLA;
- Requires legislative bodies to take formal action in a regular public meeting to declare land surplus or exempt;
- Prohibits the negotiations between a disposing agency and interested entities from including deal terms that would reduce or disallow residential use of the site;
- Requires disposing agency to send a notice of availability to specified agencies and housing sponsors that have notified the Department of Housing and Community Development of their interest. Agencies have 60 days to respond;
- Requires disposing agency, prior to agreeing to the terms for the disposition of surplus land, to provide specified information about its disposition process to the Department of Housing and Community Development (HCD). HCD then has 30 days to review the information and submit written findings to the disposing agency if HCD determines the proposed land disposal will violate requirements of this new law. Violations would be subject to monetary penalties or enforcement action.

Notice of Availability/Offer to Sell Surplus Property

Pursuant to SLA Section 54222 a Low and Moderate Income Housing Availability Notice (NOA)/Offer to Sell Surplus Property will be sent to certain public entities and housing sponsors that have notified HCD of their interest. Local agency conditions or restrictions must be reviewed by HCD; however, an agency may seek the appraised value.

An interested entity must notify the Agency in writing within 60 days after the Agency's notice. If a timely notice of interest is received from a proper entity a negotiation period of no less than 90 days may begin at the end of the 60 day notice period. The negotiation process is under the purview of HCD. An entity proposing to use the surplus land for developing low and moderate income housing shall agree to make available not less than 25 percent of the total number of units to lower income households with applicable covenants. Any proposed disposition and terms would be presented to the Council for consideration and approval.

If the Agency does not agree to price or terms with an entity to which a NOA was given or if no entity

responds after the 60 day NOA period, the Agency may proceed with an RFP under the SLA provision that not less than 15 percent of the total number of residential units shall be sold or rented to lower income households with applicable 45 or 55 year covenants.

ENVIRONMENTAL FINDINGS

This is not a project for the purposes of CEQA.

LOCAL PREFERENCE

Approval of this resolution is not subject to local preference.

FISCAL IMPACT

There is no fiscal impact.

Attachment: Resolution